

**CITY OF EAST WENATCHEE, WASHINGTON
REGULAR SESSION OF THE CITY COUNCIL CONVENED
MAYOR STEVEN C. LACY, PRESIDING
JUNE 9, 2009
6:30 P.M.**

ROLL CALL

Councilmember's Present: Councilmember Hendricks, Councilmember McCourt, Councilmember Barnhart, Councilmember Bremmer, Councilmember Johnson, Councilmember Buckner, Councilmember Raab, and Mayor Lacy.

Staff Present: Dana Barnard, Lori Barnett, Devin Poulson, Brandon Mauseth, Randy Harrison, and Nick Gerde.

PLEDGE OF ALLEGIANCE

PRESENTATION

RiverCom Director, Millie Tirapelle, reviewed a summary of the One Tenth of One Percent Sales and Use Tax expressing the need for equipment upgrades which would cost \$12 million. She said the computers running the radio system have been in use for 12 years, running 24 hours a day, 7 days a week and they are starting to fail. RiverCom needs \$800,000 this year to replace those consoles.

Ms. Tirapelle said the One Tenth of One Percent Sales Tax issue will be on the August 18th ballot for a vote of the people and will need to pass in both Chelan and Douglas Counties. She added the City of East Wenatchee currently pays \$271,000 a year, If the ballot measure does not pass the City would pay an additional \$95,000 per year.

Councilmember Barnhart said as a point of order he would like to recommend the City hold a public hearing at the next Council meeting to discuss the merits of supporting this ballot issue and then make a recommendation.

Council Action: A motion was made by Councilmember Barnhart, second by Councilmember Buckner to hold a public hearing on June 23, 2009, to receive comments from the public regarding the City's support of the proposed ballot measure implementing One Tenth of One Percent Sales and Use Tax. The motion carried, 6-0. (Hendricks abstained)

MAYOR'S REPORT

Mayor Lacy congratulated Councilmember Hendricks on his achievement for the successful completion the Association of Washington Cities Certificate of Municipal Leadership training program.

DEPARTMENT REPORT

Finance Department

City Treasurer/Finance Director, Nick Gerde, reviewed the Financial Report for April 2009. He stated that the property tax payment received in April was less than what had been forecasted. However, the City has since received a second payment which made up the difference in the forecasted amount.

Mr. Gerde reported that the sales tax receipts in received in May were down for the first time this year. He said that since the sales tax reports are two months behind, this reflects business activity for March which

shows a 10% decline in the forecasted amount, and a 20% decline from what the City received during the same period in 2008.

Mr. Gerde reported that payroll and benefits costs are the largest expenditure the City incurs and these costs are within the budgeted amount.

Councilmember Johnson asked Mr. Gerde where the City stands with utility tax in terms of what had been forecasted.

Mr. Gerde indicated the City had a very conservative plan regarding the utility taxes which went into effect February 1, 2009, and although we are ahead of forecast, it is too early to tell whether or not we have a positive trend.

Mayor Lacy stated that the some of the company's collecting those taxes, have not hit the right addresses in some respects and have been collecting taxes from individuals who do not live in the City limits of East Wenatchee. Therefore, it is likely that at some point the tax collections that have been received by the City may have to be refunded.

Mr. Gerde said he has received a number of calls from residents of Douglas County who are being charged a City tax. He added he is keeping a log of those people so he can make notice to the utility companies reporting that tax.

Street Department

Street Superintendent, Brandon Mauseh, explained the process used when planning the Six-Year Transportation Improvement Program (TIP). He said this year he has taken a different approach to the TIP and identified preservation projects as the City's greatest need in order to get them repaired before they become a reconstruction project. He recommended placing the east portion of the Grant Road Overlay Project from Eastmont Avenue to Kentucky Avenue as project number one on the TIP as there is still a chance this can be with an overlay. However, if we wait another year we would have to do an analysis to determine if it requires reconstruction.

Councilmember Hendricks expressed concern of Grant Road falling apart before the Overlay Project begins and asked if a slurry seal on Grant Road would be appropriate to preserve the road until the project begins in 2010.

Mayor Lacy said if the City reaches a point that we have some more money than we anticipated we may be able to find money to do a budget amendment sufficient to take care of a slurry seal or some other type of short term preservation.

Mr. Mauseh said he is looking at alternative techniques for preservation which is why he has included more preservation projects in this TIP. He added the problem with Grant Road is that it is a major arterial and he does not know if a slurry seal or a micro surfacing type project would be the best solution for that.

Councilmember Bremmer suggested getting quotes from local contractors to get an idea of the cost to chip seal Grant Road.

Mr. Mauseh said he does not know if chip sealing is the best technique for an urban roadway. He explained the difference between a slurry seal and a chip and said he would look at all options.

Mr. Mauseth said he will consider comments from the public hearing as well as from City Council and the Mayor regarding prioritization of the Six-Year TIP. The Six-Year will then come back as an exhibit to a resolution for adoption by the City Council at the June 23, 2009, Council meeting.

CONSENT CALENDAR

1. Consideration of Minutes – Regular Session, May 26, 2009
2. Consideration of Bills

Council Action: A motion was made by Councilmember Johnson, second by Councilmember McCourt, to approve the consent calendar as presented.

Councilmember Hendricks said he believes employee donations should be utilized for items such as flowers for employees rather than using tax payer's money.

Council Action: A motion was made by Councilmember Hendricks, second by Councilmember Bremmer, to amend the motion to remove the Apple Blossom floral bill from the consent agenda. The motion failed 2-5. (Raab, Johnson, McCourt, Barnhart, Buckner)

Councilmember Bremmer said he was bothered by the fact that during the budget process there were several cuts made to make sure we had a balanced budget, yet there seems to be a lot of frivolous purchases being made.

Mayor Lacy said there are no expenditures that he is aware of, that are not matters within the expenditure authority of each of the Department Heads under the current budget which has been approved and adopted by the Council. He said he believes it is inappropriate to question expenditures which are specifically appropriated for, unless there is some issue about whether or not those expenditures were not authorized. He added there is a distinction between asking questions about the expenditures and expressing opinions about whether the Mayor or Staff are spending funds from their budget in an appropriate manner.

Mayor Lacy asked for a vote on the original motion regarding approval of the consent calendar: The motion carried, 7-0.

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded in a listing, which has been made available to Council.

2009 Payables

As of this date, June 9, 2009, Council does approve warrant numbers 21742 through 21780 in the total amount of \$74,895.58.

PUBLIC HEARINGS

09-06-01 A public hearing to receive public comment regarding the City's participation in funding repairs to the Wenatchee Reclamation Bridge.

Mayor Lacy opened the public hearing at 7:24 p.m.

The following spoke in favor of the City's participation in funding repairs to the Wenatchee Reclamation Bridge:

Bonnie Orr, 1520 Astor Court, East Wenatchee;
Heather Ostenson, 2820 4th Street SE, East Wenatchee;
Sally Brawley, 943 Briarwood Drive, East Wenatchee and
Mark Kulaas, 1219 Red Apple Road, Wenatchee.

Mayor Lacy closed the public hearing at 7:31 p.m.

09-06-02 A public hearing related to adoption of the City of East Wenatchee's Six-Year Transportation Program.

Mayor Lacy opened the public hearing at 7:32 p.m.

Hearing no public comment, Mayor Lacy closed the public hearing at 7:32 p.m.

ACTION ITEM

09-06-03 A recommendation from RH2 Engineering to award the bid for the Greater East Wenatchee Stormwater Utility – Canyon "A" Flood Control Project – Phase II.

Street Superintendent, Brandon Mauseth said the City received five proposals at the time of the bid opening held at 10:00 a.m. Friday, June 5, 2009. He said of the five bidders, Strider Construction, Inc., was the apparent low bidder at \$344,978, not including tax. The low bid for the project is 39 percent lower than the Engineers estimate of \$482,010, not including sales tax. The City also received bids from: Pipkin Construction, \$383,975.50; KRCI, \$424,285; Hurst Construction, \$513,209; and Selland Construction \$548,140. RH2 Engineering recommended awarding the bid to Strider Construction.

Council Action: A motion was made by Councilmember Hendricks, second by Councilmember Johnson, to approve the recommendation by RH2 Engineering and award the bid for the Greater East Wenatchee Stormwater Utility – Canyon "a" Flood Control Project – Phase II to Strider Construction. The motion carried, 7-0.

09-06-04 A request by Sharon Petit, representing the Cascade Unitarian Fellowship at 1550 Sunset Highway, of a discussion relative to compensation the City Council may consider for a potential vacation of 16th Street NW where it intersects SR 28, just north of the existing church facility.

Community Development Director, Lori Barnett, gave a brief background regarding a request by the Cascade Unitarian Fellowship (CUF) to obtain a preliminary decision from Council whether they would entertain a vacation of right-of-way and what conditions might be placed on them relative to compensation.

City Attorney, Devin Poulson said the Council adopted Resolution No. 08-14, which includes the items needed to petition for a vacation of right-of-way.

Mayor Lacy asked if there was a legal point of order or legal issue that we should consider before moving forward.

Ms. Barnett explained that this is not a petition for right-of-way, but rather a request for Council to consider if they would entertain that vacation and what type of compensation the City would require. She

added the CUF would still be required to go through the formal vacation of right-of-way process and submit a petition for vacation of right-of-way.

Ms. Barnett said that in lieu of payment of fair market value for the right-of-way, the CUF would like Council to consider a land exchange if they were to purchase the Seventh Day Adventist (SDA) property, wherein the City would vacate 16th Street NW in exchange for 30 feet of right-of-way along SR 28, the SDA parcel.

Ms. Barnett reviewed sample land values of neighboring properties and the estimated value of right-of-way vacation and exchange area. She added the asking price for property is \$3.67 per square foot.

Councilmembers discussed whether the City would ever need the property in the proposed vacation of right-of-way, and whether it is a good idea to do a land swap versus selling the property so the funds could be used for other projects.

Mayor Lacy asked legal Counsel whether or not Council can express an opinion as a majority, without it being considered an action, and if it is considered action then would it be appropriate to consider this without an application.

Mr. Poulson said by statute the appropriate way to vacate right-of-way is to have a petition with all the required information available before you for consider if for approval.

Mayor Lacy said the process in this case would require that Councilmembers not express a majority opinion about the course of action where there is no actionable item on the table. He said he would prefer a specific proposal be made to the Council that they could act on, as opposed to having them express their opinion whether they would support the issue without it being a binding action on behalf of the Council. He said he had no objection to Council commenting on the issue as long as they understand that they are only making a comment as part of the public process.

COUNCIL REPORTS

Councilmember Johnson said we heard several comments during the public hearing portion of this meeting regarding the City's participation in funding repairs to the Wenatchee Reclamation Bridge.

Council Action: A motion was made by Councilmember Johnson, second by Councilmember Bremer, to participate in funding repairs to the Wenatchee Reclamation Bridge in the amount of \$10,000, and put forward a potential amendment to the 2009 budget to reflect that expenditure.

Councilmember Hendricks said he supports the bridge. However, he believes there are projects in the City that the money could be used for and he will be voting no on the issue.

Councilmember Barnhart said based on our current budget status and the fact that the City implemented a utility tax to make sure we had a balanced budget for 2009 he does not feel this is the right time to participate in funding repairs to the Wenatchee Reclamation Bridge.

Council Action: A motion was made by Councilmember Buckner, second by Councilmember Barnhart, to amend the motion regarding participation in funding repairs to the Wenatchee Reclamation Bridge from the City's 2009 budget and instead allocate the funds to come out of the 2010 Budget to reflect that expenditure. The motion carried, 5-2. (Hendricks, Johnson)

Council Action: A motion was made by Councilmember Buckner, second by Councilmember Barnhart, to participate in the funding of repairs to the Wenatchee Reclamation Bridge in the amount of \$10,000, appropriated from the 2010 budget. The motion carried, 6-1. (Hendricks)

The following Councilmembers said they were not opposed to vacating 16th Street NW:

Councilmember Bremmer;

Councilmember McCourt;

Councilmember Barnhart;

Councilmember Buckner;

Councilmember Raab and

Councilmember Johnson as long as it was reasonable for the City to do so.

Councilmember McCourt submitted minutes from the Chelan-Douglas Regional Support Network Governing Board meeting held on April 8, 2009.

Councilmember Buckner submitted minutes from the North Central Washington Resource and Conservation Development meeting held on May 13, 2009.

EXECUTIVE SESSION

At 8:20 p.m. Mayor Lacy called a 15 minute executive session regarding union negotiations.

Council reconvened at 8:35 p.m.

ADJOURNMENT – 8:38 p.m.

Dana Barnard
City Clerk